

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

SINOma

中國中材股份有限公司

China National Materials Company Limited

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1893)

**ANNOUNCEMENT PURSUANT TO LISTING RULES 13.09(1) –
ENTERED INTO 5 EPC CONTRACTS**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Company is pleased to announce that Sinoma International (a subsidiary of the Company) has recently entered into 5 EPC Contracts with Dangote, pursuant to which Sinoma International will be the contractor for the engineering, procurement and construction of 6 cement production lines in Tanzania, Congo, Ethiopia, Zambia and Equatorial Guinea. Five cement production lines will have daily production capacity of approximately 6,000 tons each and one cement production lines will have daily production capacity of approximately 3,000 tons. The aggregated consideration of the 5 EPC Contracts is US\$1,446,171,000.

INTRODUCTION

The Company is pleased to announce that Sinoma International (a subsidiary of the Company) has recently entered into 5 EPC Contracts with Dangote, pursuant to which Sinoma International will be the contractor for the engineering, procurement and construction of 6 cement production lines in Tanzania, Congo, Ethiopia, Zambia and Equatorial Guinea. Five cement production lines will have daily production capacity of approximately 6,000 tons each and one cement production lines will have daily production capacity of approximately 3,000 tons. The aggregated consideration of the 5 EPC Contracts is US\$1,446,171,000.

THE EPC CONTRACTS

The EPC Contracts will be paid 88% in US Dollar and 12% in Euro. The major terms of the contracts are as follows (amounts denominated in € have been translated into US\$ at the rate of US\$1.48 = €1.00 and amounts denominated in RMB have been translated into US\$ at the rate of RMB7.4 = US\$1.00):-

Contracting parties:

- 1) Dangote
- 2) Sinoma International

Consideration:

- | | | |
|--|---|----------------------|
| 1) The contract sum for 2X6000 tpd Tanzania project is | : | US\$536,419,000, |
| 2) The contract sum for 6,000 tpd Congo project is | : | US\$272,573,500, |
| 3) The contract sum for 6,000 tpd Ethiopia project is | : | US\$228,046,000, |
| 4) The contract sum for 6,000 tpd Zambia project is | : | US\$278,286,500, and |
| 5) The contract sum for 3,000 tpd Equatorial Guinea project is | : | US\$130,846,000 |

Main responsibility:

Sinoma International will mainly provide design, equipment procurement and supply, civil works, installation, performance testing and training of personnel to 6 cement production lines in Tanzania, Congo, Ethiopia, Zambia and Equatorial Guinea.

Bond:

Sinoma International agrees to procure the issuance of advance payment bond, performance bond and quality bond to be issued by a bank in relation to the project.

REASONS FOR ENTERING INTO THE EPC CONTRACTS

The Group is principally engaged in the businesses of cement equipment and engineering services, glass fiber production, cement production and high-tech materials production. Further, the Group is one of the leading cement equipment and engineering services provider in the globe.

The Directors believe the EPC Contracts provide an excellent opportunity for the Group to expand its principal business.

DISCLOSURE UNDER RULE 13.09(1) OF THE LISTING RULES

As the EPC Contracts are significant developments in the Group's cement equipment and engineering services business, the Directors believe that it is appropriate to make public disclosure to enable to the Shareholders and the public to appraise the position of the Group pursuant to Rule 13.09(1) of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Company”	China National Materials Company Limited (中國中材股份有限公司), a joint stock limited company incorporated under the laws of the PRC on 31 July 2007, the H shares of which are listed on the Hong Kong Stock Exchange
"Directors"	the directors of the Company
"Dangote"	Dangote Industries Limited, a company incorporated in the Federal Republic of Nigeria with limited liability
"EPC Contract"	engineering, equipment procurement and construction

	contract
"€"	Euro, the lawful currency of the European Union
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"PRC"	the People's Republic of China
"Shareholders"	the holders of the shares of the Company
"Sinoma International"	Sinoma International Engineering Co., Ltd. (中國中材國際工程股份有限公司), a joint stock limited company established on 28 December, 2001 under the laws of the PRC and the shares of which are listed on the Shanghai Stock Exchange
"US\$"	United States dollars, the lawful currency of the United States

By order of the Board
CHINA NATIONAL MATERIALS COMPANY LIMITED
Chan Wing Hang
Joint Company Secretary

Hong Kong, 10 July 2008

As at the date of this announcement, the executive Directors are Mr. Tan Zhongming and Mr. Yu Shiliang, the non-executive Directors are Mr. Liu Zhijiang, Mr. Zhou Yuxian and Mr. Chen Xiaozhou, and the independent non-executive Directors are Mr. Yang Yuzhong, Mr. Zhang Lailiang, Mr. Zhang Qiusheng and Mr. Leung Chong Shun.